

**MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
TRANSPORTATION POLICY COMMITTEE MEETING**

March 22, 2006
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

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| Mayor Elaine Scruggs, Glendale, Chair | * Mayor Hugh Hallman, Tempe |
| * Councilmember Peggy Bilsten, Phoenix,
Vice Chair | Mayor Keno Hawker, Mesa |
| F. Rockne Arnett, Citizens Transportation
Oversight Committee | Eneas Kane, DMB Associates |
| + Mayor Ron Badowski, Wickenburg | Joe Lane, State Transportation Board |
| # Stephen Beard, SR Beard & Associates | Mayor Marie Lopez-Rogers, Avondale |
| Mayor Steven Berman, Gilbert | Mayor Mary Manross, Scottsdale |
| Dave Berry, Swift Transportation | * Jacob Moore, Salt River Pima-Maricopa Indian
Community |
| Jed S. Billings, FNF Construction | * David Scholl, Westcor |
| Mayor James Cavanaugh, Goodyear | Councilmember Daniel Schweiker,
Paradise Valley |
| Councilmember Pat Dennis, Peoria | * Supervisor Don Stapley, Maricopa County |
| Mayor Boyd Dunn, Chandler | Mayor J. Woodfin Thomas, Litchfield Park |
- * Not present
Participated by telephone conference call
+ Participated by videoconference call

1. **Call to Order**

The meeting of the Transportation Policy Committee (TPC) was called to order by Chair Elaine Scruggs at 4:15 p.m.

2. **Pledge of Allegiance**

The Pledge of Allegiance was recited.

Chair Scruggs announced that Mayor Ron Badowski was participating via videoconference and Steve Beard was participating via teleconference. She welcomed Mayor Marie Lopez-Rogers, Avondale, and Joe Lane, State Transportation Board, as newly appointed members of the TPC.

Chair Scruggs stated that transit tickets for those who used transit to attend the meeting and parking garage ticket validation were available from MAG staff.

3. Call to the Audience

Chair Scruggs stated that an opportunity is provided to the public to address the Transportation Policy Committee on items that are not on the agenda that are within the jurisdiction of MAG, or non action agenda items that are on the agenda for discussion or information only. Citizens will be requested not to exceed a three minute time period for their comments. She noted that an opportunity is provided to comment on agenda items posted for action at the time the item is heard.

Chair Scruggs recognized public comment from William Crowley, who commented on agenda item #6. He said that freight rail is needed heading east. Mr. Crowley commented on agenda item #7. He said that half of the roadways in the state are deficient and that an extra tax of one-cent on each dollar of gas sold is needed. Mr. Crowley stated that the price of gas is predicted to be \$3 by the end of summer. The extra penny will be a way to get more revenue to address issues. Mr. Crowley commented that there were 1,700 flyers for a public hearing that were to be put on buses—this means less than two flyers per bus. He stated that he found one-quarter of the flyers on two buses after the event. Mr. Crowley stated that the Transit Annual Report says that 1,814 out of a total of 6,914 bus stops have shelters. He noted that he was quoting from the 2005 report, as the 2006 report will not be issued for another 90 days. Mr. Crowley stated that Gilbert was the only city that requested bus stops. He stated that there is an effort to cover park and ride lots, but they should not be covered before people at bus stops are covered. Chair Scruggs thanked Mr. Crowley for his comments.

4. Approval of Consent Agenda

Chair Scruggs stated agenda items #4A, #4B, and #4C were on the consent agenda. Public comment is provided for consent items. Each speaker is provided with a total of three minutes to comment on consent agenda.

Chair Scruggs recognized public comment from Mr. Crowley, who asked why bus service on Glendale Avenue does not continue on to Scottsdale Road if this is part of the supergrid. Mr. Crowley stated that Cave Creek and Carefree will not have BRT service for 20 years. He stated that plans need to include the whole region because everyone is paying the sales tax. Mr. Crowley suggested having a bridge or a tunnel for light rail to cross I-17 and go to Metrocenter, as the Plan said. Right now, it is going to 25th and Mountain View. Mr. Crowley stated that this is a major change that was not brought through the process. Chair Scruggs thanked Mr. Crowley for his comments.

Chair Scruggs stated that any member of the committee can request that an item be removed from the consent agenda and considered individually. Chair Scruggs asked members if they wanted to hear any of the consent agenda items. Hearing no requests, Chair Scruggs called for a motion. Mayor Thomas moved to recommend approval of consent agenda items #4A, #4B, and #4C. Councilmember Schweiker seconded, and the motion passed unanimously.

4A. Approval of January 18, 2006 Meeting Minutes

The Transportation Policy Committee, by consent, approved the January 18, 2006 meeting minutes.

4B. Initial Closeout of the Federal Fiscal Year (FFY) 2006 MAG Federally Funded Program

Annual suballocations of Federal Obligation Authority (OA) to the MAG region must be used or they could be lost. Each year, the process to close out the MAG federally funded program is completed in three distinct steps. First, the federal funds that have been suballocated to the MAG region are compared with the list of projects programmed in the current year (FFY 2005) of the most recent Transportation Improvement Program (TIP). Second, by March 1, MAG agencies request the deferral from the current federal fiscal year to the following year, or later, of any projects that are not likely to be completed through the federal development process in time. Third, projects are identified that are able to utilize the funds available from the first two phases and from any other obligation authority (OA) that might become available from federal sources. In this phase of the FY 2006 closeout process, approximately \$1.5 million is available for the initial closeout. March 1, 2006 was the deadline for members to submit requests to defer MAG federally funded projects from FY 2006 to FY 2007 or later.

4C. Proposed Amendment to the FY 2006-2010 Transportation Improvement Program for Highway and Transit Projects

The Transportation Policy Committee, by consent, recommended approval of a TIP Amendment to the FY 2006-2010 MAG Transportation Improvement Program to add a Bridge Replacement funded Bridge Scour project in Phoenix; two locally funded ITS Design projects in Mesa; two new 5307 funded transit projects for Avondale and Valley Metro and one new 5309 funded project in Tempe, as shown in the attached tables. On July 25, 2005, the FY 2006-2010 MAG Transportation Improvement Program (TIP) was approved by the MAG Regional Council. Since then, the following six projects have been identified that need to be added to the TIP: a Bridge Replacement funded Bridge Scour project in Phoenix; two locally funded Intelligent Transportation System (ITS) Design projects in Mesa; two new 5307 funded transit projects for Avondale and Valley Metro and one new 5309 funded project in Tempe. The Transportation Review Committee and the Management Committee recommended approval of the Amendment for the projects listed.

5. City of Phoenix Request to Advance the I-17/ Dove Valley Road Traffic Interchange

Eric Anderson stated that MAG received a request from the City of Phoenix to advance the construction of the I-17 and Dove Valley Road Traffic Interchange (TI) by approximately 15 years to coincide with the widening of I-17 in FY 2007 and because of the pressures of development in the area. Mr. Anderson stated that the Dove Valley TI is listed in the Regional Transportation Plan as a Phase IV project and is currently in the ADOT Life Cycle Program for design funding in 2021 and construction in 2022. He noted that the City of Phoenix will provide the funding for the acceleration of the project with repayment as provided in the ADOT Life Cycle Program at the time of the repayment. Mr. Anderson stated that the City of Phoenix will be responsible for one-half of the interest cost under the approved MAG Freeway/Highway Acceleration policy. Chair Scruggs thanked Mr. Anderson for his presentation and asked members if they had questions.

Mayor Thomas asked for clarification of the interest cost. Mr. Anderson stated that the interest cost, which is shared between the sponsoring jurisdiction and the program, is reimbursed according to the adopted MAG Freeway/Highway Acceleration policy. He added that this is the policy that was used for advancing other projects in the past.

Mayor Hawker asked if any analysis had been done to determine construction cost savings when a project was advanced. He commented that the savings could be beneficial to the program. Mayor Hawker noted that the City of Mesa had advanced \$10 million for the Red Mountain Freeway. Mr. Anderson replied that an analysis had not been done recently. He said that the last analysis was for advancing the right-of-way purchase on the San Tan using Board Funding Obligations. He stated that approximately \$80 to \$100 million were saved because right-of-way could be acquired earlier. Mr. Anderson noted that the City of Mesa was one of the first jurisdictions to accelerate a project—the Red Mountain from Country Club to Gilbert Road—and also advanced the construction of general purpose lanes on US-60. The most recent project to be accelerated was the interchange at I-10/Pecos Road for approximately \$50 million. Mr. Anderson commented that with escalating construction costs, these project accelerations make sense. Both the sponsoring agencies and the region benefit.

Mayor Hawker asked how much would be saved by coordinating the projects rather than constructing them at separate times. Mr. Anderson replied that he did not have an exact percentage, but in all likelihood, there would be savings. He stated that on the I-17 project, ADOT has indicated that it might issue the bid in two smaller packages—one for the structure and one for the mainline widening. Mayor Hawker said that Mesa did a widening of the freeway crossing at Gilbert Road. Even though they did not widen the freeway at that time, they put in the structure so as not to disrupt traffic later. He commented that this worked well.

Chair Scruggs recognized public comment from Mr. Crowley, who stated that negative planning was being rewarded with an interchange. He stated that he appreciated the project, but how was it going to integrate with what the state is planning? Mr. Crowley stated that he thought it would be beneficial to build the interchange to its full footprint. Chair Scruggs thanked Mr. Crowley for his comments.

Mayor Hawker moved to recommend approval of the City of Phoenix Request to Advance the I-17/Dove Valley Road Traffic Interchange project. Mayor Dunn seconded, and the motion carried unanimously.

6. Update on the Commuter Rail Stakeholders Group

Mr. Anderson stated that the Commuter Rail Stakeholders Group was formed to provide input on a scope of work for a consultant study to update the commuter rail portion of the 2003 High Capacity Transit Study. He said that the study would be coordinated with a study being proposed by ADOT. Mr. Anderson noted that the statewide study will focus on an infrastructure survey, although it may also include commuter rail. He added that ADOT's study will begin to look at commuter rail between Phoenix and Tucson, along with other opportunities statewide.

Mr. Anderson stated that member agency stakeholders met on February 27, 2006 to discuss issues and outcomes. Mr. Anderson stated that other stakeholders, in addition to member agency staff, will be included in the next Stakeholders meeting. He said that staff are in the process of drafting a scope of work, which will be reviewed by the Stakeholders in April. He stated that a Request for Proposals could be issued in May or June, with a consultant selection in August or September. Mr. Anderson noted that there is great interest in completing the study in 12 months.

Mr. Anderson then reviewed items that are anticipated to be included in the scope of work. He noted that commuter rail systems in New Mexico, Utah, and Puget Sound are in the process of being implemented, and best practices of these peer commuter rail systems would be included in the scope.

Mr. Anderson stated that an inventory of rail conditions and operations both statewide and regionwide would be included. He said that survey data from the ADOT study will be used for the rail infrastructure. Mr. Anderson stated that there is also interest in including in the scope BSNF and Union Pacific operations and changes they may potentially make. He advised that he heard BNSF may be moving its operations farther out and off Grand Avenue, although it will still use the Grand Avenue alignment. Mr. Anderson noted that Union Pacific is reevaluating how to serve its freight customers and is in the process of reactivating its west side branch line.

Mr. Anderson stated that ridership projections would be developed by corridor, which would then be used to develop operating scenarios. He said that the scope would also include the development of capital and operating costs. Mr. Anderson stated that from the findings of the study, a recommended action plan to implement commuter rail would be developed. It would be detailed as to the steps needed and in what order to ensure a successful implementation of commuter rail in the region. Chair Scruggs thanked Mr. Anderson for his update.

Mayor Thomas commented that he thought this was a good opportunity to incorporate the needs of freight with our needs. It is part of making the region's transportation system work.

Councilmember Dennis agreed that this was a great opportunity—not only because of the extensive area covered by the two freight lines, but also the railroads are in the mood to make adjustments. Councilmember Dennis commented on including the expertise of those who have done this before to give guidance, not only on commuter rail, but also freight and environmental issues.

Dennis Smith noted that the State is using federal funds for their study, which requires a match that staff feels is appropriate. He stated that the amount would be approximately \$20,000 in cash and \$20,000 of in-kind funds. Mr. Smith noted that this would be on a future agenda.

Mayor Hawker asked if the \$20,000 would come from the \$5 million in Proposition 400 commuter rail funds. Mr. Anderson replied that it is anticipated that the \$20,000 could come out of MAG planning funds and not Proposition 400 funds.

7. Update on Construction Cost Issues

Mr. Anderson provided an update on efforts by ADOT to mitigate the impacts of commodity price uncertainty on bids, recent bids received by ADOT, and information on the status of the construction industry will be presented. Mr. Anderson referred to some of the solutions from Construction Forum. He stated that some moderation has happened in national price trends. The highway and street construction price index reached a peak of 135 percent.

Mr. Anderson stated that an agreement was reached to lower the duty on three million metric tons of Mexican cement for three years. He added that if all sides agree, the duty could be eliminated after the

three years. Mr. Anderson advised that this has a small impact nationally, but the border states will benefit significantly to relieve some shortages.

Mr. Anderson stated that the price for diesel fuel has declined somewhat, but he felt it was still volatile because of the world situation. He noted that the price of energy not only affects the cost to transport goods, it is a fundamental factor in many products, such as cement that uses natural gas in its production.

Mr. Anderson addressed Arizona conditions. He said there are some signs of slowing in housing and commercial construction. The passage of the Phoenix bond issue will have an impact on commercial construction. Mr. Anderson stated that the commodity markets seem to have more price stability. He stated that ADOT has had only bid smaller projects recently, but has seen more bidders. Mr. Anderson said that concrete and cement supplies are still limited, with price guarantees for only 30 to 60 days.

Mr. Anderson reported on ADOT activities. He said that ADOT is considering commodity price clauses. Mr. Anderson stated that ADOT was reviewing material specifications and is working with AGC to see if some of the clauses might be loosened up and still retain the same quality. In addition, ADOT is considering the size of projects.

8. Reevaluation of TPC Meeting Day/Time

This item was continued to the next meeting.

At the January 18, 2006 TPC meeting, a reevaluation of the TPC meeting day and time was discussed. TPC members were requested to submit the days of the week and times that would be most advantageous to schedule committee meetings. Chair Scruggs noted that some clarifications to the chart of responses that was compiled. She said that two members had indicated that they were not available on Wednesdays at 4:00 p.m. They have since noted that they are available.

9. Legislative Update

Dennis Smith stated that Mr. Kirk Adams has been appointed by the Maricopa County Board of Supervisors to the Arizona House of Representatives. He noted that constitutionally, Mr. Adams will not be able to continue serving as a member of the TPC. Mr. Smith noted that Mr. Adams was appointed by the President of the Senate. He said that in the past, the TPC made recommendations on TPC business representatives to the Regional Council, who would then forward the names to the President of the Senate and Speaker of the House for their consideration in making their appointments. Mr. Smith indicated that he did not feel there was time to follow this process this time. Mr. Smith stated that an addendum could be added to the March 29, 2006 Regional Council agenda and members could be asked to submit names for discussion at the meeting.

Mr. Anderson announced that the Proposition 400 sales tax revenue collected for January was \$28.5 million, which is 15.4 percent over last year's same month revenue. He added that revenue is up 17 percent for the fiscal year to-date. Mayor Hawker asked the budgeted amount for the month. Mr. Anderson replied that he was not sure of the monthly amount, but the revenue was almost twice the projected rate of seven to eight percent.

Matt Clark updated members on eminent domain bills. Last and this week to the Legislature SCR 1019 HCR 2031 passed the Committee of the Whole and had a third read. Mr. Clark stated that it is anticipated that negotiations will work out the issues and he would advise. Mr. Clark stated that there was a strike everything amendment to SB 1098 in House Transportation that would appropriate \$463 million from the state general fund to the State Highway Fund. Of this, 50 percent would go to counties with a population of 1,200,000 or more, 25 percent to counties with a population of five hundred thousand or more, and 25 percent to the remaining counties. Mr. Clark stated there was one earmark-related to the right-of-way purchase or construction of improvements to, I-10 between mileposts 230 and 260 on the outskirts of Tucson to the edge of Pima County. Mr. Clark pointed out that the bill is not expected to move forward, but to spark discussion on how to cover the increases in transportation costs. Mr. Clark noted that Representative Nelson's bill to increase bonding capacity from six to 20 percent passed the Senate Committee and was expected to pass the Senate Floor.

Chair Scruggs recognized public comment from Mr. Crowley, who said that legislation allows buses to idle up to an hour to keep the air conditioning effective. He said he would rather shading or canopies be used to keep buses cool. Mr. Crowley suggested a strike all so this rule could be changed. He noted that in Sacramento and Las Vegas the buses are limited to idling only ten minutes. Mr. Crowley provided a bicycle survey to be handed out. Mr. Crowley stated that MAG needs to explain to the Legislature that SB 1504 was accommodating poor development. He added that the West Valley and the East Valley need to be addressed instead of the North Valley. Mr. Crowley commented on HB 2629. He said he would like facilities for bicycles, pedestrians and buses be built when the roadways are built. Chair Scruggs thanked Mr. Crowley for his comments.

There being no further business, the meeting adjourned at 5:00 p.m.

Chair

Secretary